

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re: :
 : Docket #24cr0082
UNITED STATES OF AMERICA, :
 :
Plaintiff, :
 :
- against - :
 :
RODRIGUEZ, KEONNE, : New York, New York
 : April 29, 2024
Defendant. :
 :
----- :

PROCEEDINGS BEFORE
THE HONORABLE BARBARA MOSES,
UNITED STATES MAGISTRATE JUDGE

APPEARANCES:

For Plaintiff: UNITED STATES ATTORNEY'S OFFICE
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INDEXE X A M I N A T I O N S

<u>Witness</u>	<u>Direct</u>	<u>Cross</u>	<u>Re- Direct</u>	<u>Re- Cross</u>
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None				
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E X H I B I T S

<u>Exhibit Number</u>	<u>Description</u>	<u>ID</u>	<u>In</u>	<u>Voir Dire</u>
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1 PROCEEDINGS 3

2 THE CLERK: The Court now calls case, United
3 States of America v. Keonne Rodriguez, case number
4 24cr82. Counsel, please make your appearances for the
5 record.

6 THE COURT: Gentlemen.

7 MR. DAVID FELTON: Good afternoon, Your Honor,
8 David Felton and Andrew Chan for the Government.

9 MR. SEAN BUCKLEY: Good afternoon, Your Honor,
10 Sean Buckley and Michael Keilty on behalf of Mr.
11 Rodriguez who is present at counsel table.

12 THE COURT: Counsel, you may be seated. Mr.
13 Rodriguez, I am Magistrate Judge Moses. For the record
14 and not because I have any doubts on the matter, please
15 confirm that you speak and understand English.

16 MR. KEONNE RODRIGUEZ: I do.

17 THE COURT: Thank you. May I have the date and
18 time of the defendant's arrest please.

19 MR. FELTON: Yes, Your Honor, April 24 at
20 approximately 6 a.m. in the Western District of
21 Pennsylvania. This is the defendant's first appearance
22 in this district.

23 THE COURT: All right, and he was presented to
24 a magistrate judge in Pennsylvania, bail conditions were
25 set, including that the defendant present himself here.

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PROCEEDINGS

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Correct?

MR. FELTON: Yes, Your Honor.

THE COURT: All right, so the purpose of today's proceeding, Mr. Rodriguez, is to advise you of certain rights that you have, to inform you of the charges against you, to consider whether counsel should be appointed for you here in New York, and to decide under what conditions, if any, you shall be released pending trial. Portions of today's proceeding may sound familiar to you because you had a similar proceeding in Pennsylvania.

I'll begin by explaining some of your constitutional rights. You have the right to remain silent. You are not required to make any statements. Even if you've already made statements to law enforcement authorities, you do not need to make any more statements. Any statements that you do make can be used against you.

You have the right to be released either conditionally or unconditionally pending trial unless I find that there are no conditions that would reasonably assure your presence at future court appearances and the safety of the community.

If you are a foreign national, you have the

1 PROCEEDINGS 5

2 right to request that a consular officer from your
3 country of origin be notified of your arrest. In some
4 cases, a treaty or other agreement may require the U.S.
5 to give that notice whether you ask for it or not.

6 You have the right to be represented by counsel
7 during all court proceedings, including this one, and
8 during any questioning by the authorities. You cannot
9 afford an attorney, I will appoint one today to
10 represent you. But I understand that counsel who are
11 with you today are retained, and there is no
12 application. Is that correct?

13 MR. BUCKLEY: That's correct, Your Honor.

14 THE COURT: Okay. So let me turn my attention
15 now to the charging instrument in this case, a seal
16 superseding indictment. Has this matter been referred
17 for arraignment or for present and bail only?

18 MR. FELTON: For arraignment as well, Your
19 Honor.

20 THE COURT: Okay. So I have a copy of the seal
21 superseding indictment here with me. We're having some
22 electronic interference here. Let's see what's going
23 on.

24 (pause in proceeding)

25 THE COURT: Ms. Kay, I'm just testing my

1 PROCEEDINGS 6

2 microphone now. Are we getting normal sound levels?

3 THE CLERK: Yes, Your Honor.

4 THE COURT: All right, I don't know what she
5 did, but she seems to have fixed it. So as I was
6 saying, I have a copy of the sealed superseding
7 indictment here. I see that in count 1 you are charged
8 with conspiracy to commit money-laundering in violation
9 of 18 U.S.C. § 1956(h). We will pause again for a
10 moment for electronic interference. What did you do
11 last time, Ms. Kay?

12 THE CLERK: (inaudible)

13 (off/on the record)

14 (pause in proceeding)

15 THE COURT: All right, we're going to have to
16 take a brief recess because I don't feel that we are
17 making an accurate audio transcript with all of this
18 noise and static coming over the system. So we will
19 stand in recess for hopefully just a few minutes until
20 we get our technical difficulties addressed.

21 (Whereupon a recess is taken.)

22 THE CLERK: We're now on the record.

23 THE COURT: All right, we're back on the
24 record. I'm told we have a member of our A/V staff - do
25 we have a member of our A/V staff present? Excellent.

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PROCEEDINGS

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Standing by in case of continued technical difficulties.

As I was saying, I have a copy of the sealed superseding indictment with me here at the bench. I see that Mr. Rodriguez is charged 1 with conspiracy to commit money-laundering which is a violation of Title 18 of the United States, Section 1956(h). Mr. Rodriguez is charged in count 2 with conspiracy to operate an unlicensed money transmitting business which is a violation of 18 U.S.C. § 371. Counsel, have you reviewed the indictment with your client and do you waive a detailed public reading?

MR. BUCKLEY: Yes, Your Honor, we have reviewed it, and we waive the public reading.

THE COURT: All right, Mr. Rodriguez, are you prepared to enter a plea to the indictment at this time?

MR. RODRIGUEZ: Yes, Your Honor.

THE COURT: What is your plea?

MR. RODRIGUEZ: Not guilty.

THE COURT: A plea of not guilty will be entered, and the record should reflect that the defendant has now been arraigned. I will take this opportunity in accordance with Rule 5(f) of the Federal Rules of Criminal Procedure to direct the prosecution to comply with its obligation under Brady v. Maryland and

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PROCEEDINGS

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its progeny to disclose to the defense all information whether admissible or not that is favorable to the defendant, material either to guilt or to punishment and known to the prosecution. Possible consequences for noncompliance may include dismissal of individual charges or the entire case, exclusion of evidence, and/or court sanctions or discipline upon the attorneys involved.

I will be entering a written order more fully describing this obligation and the possible consequences of failing to meet it, and I will direct the U.S. Attorney's Office to review and comply with that order. Does your Office confirm that it understands these obligations and will comply with them?

MR. FELTON: Yes, Your Honor. We understand and we will comply.

THE COURT: Thank you. Let me sign that order before I forget to.

(pause in proceeding)

THE COURT: Ms. Kay. Has the district judge set a conference date?

MR. FELTON: Yes, Your Honor, we will appear before Judge Berman May 14 at 2 p.m.

THE COURT: May 14, 2 p.m., in Judge Berman's

1 PROCEEDINGS 9

2 courtroom. Is there a request to exclude time?

3 MR. FELTON: Yes, Your Honor. We'd submit that
4 under 18 U.S.C. § 3161(h)(7)(A) that it's in the
5 interest of justice to exclude time under the Speedy
6 Trial Act until May 14 so that the parties can confer
7 regarding a protective order so that they can discuss a
8 potential pretrial resolution.

9 THE COURT: That's the end of the sentence?

10 MR. FELTON: Yes, Your Honor.

11 THE COURT: Okay.

12 MR. FELTON: And we submit that exclusion would
13 be in the interest of justice.

14 THE COURT: All right, is there any objection
15 from the defense?

16 MR. MIRVIS: No objection, Your Honor.

17 THE COURT: All right. At the request of the
18 Government and with no objection from the defendant, I
19 will exclude time through May 14, and I find that the
20 ends of justice served by taking such action outweigh
21 the interest of the public and the defendant in a speedy
22 trial.

23 Now, let us discuss conditions of relief,
24 release - excuse me. I am told that counsel have
25 conferred on this matter, and there is at least partial

1 PROCEEDINGS 10

2 agreement. Am I correctly informed?

3 MR. FELTON: Your Honor, the parties have
4 conferred, and we actually have a proposed package for
5 the Court's consideration in full.

6 THE COURT: All right, let me hear it from the
7 top please and don't just say the things they did in
8 Pennsylvania or the things that Pretrial recommends.
9 Tell me everything.

10 MR. FELTON: Understood, Your Honor. The bond
11 amount is \$1 million. It is to be secured by real
12 property in Pennsylvania, specifically 610 Wood Street.

13 THE COURT: That's the defendant's residence?

14 MR. FELTON: That's the residence, it's owned
15 by the defendant's wife, Your Honor.

16 THE COURT: And what's the town again in
17 Pennsylvania?

18 MR. FELTON: In Harmony, Pennsylvania.

19 THE COURT: Harmony.

20 MR. FELTON: It is the (indiscernible) Services
21 Report.

22 THE COURT: Right.

23 MR. FELTON: And the zip code is 16037.

24 THE COURT: 16037?

25 MR. FELTON: Yes, Your Honor.

1 PROCEEDINGS 11

2 THE COURT: All right, and that is owned by Mr.
3 Rodriguez's spouse, and she's willing to put it up --

4 MR. FELTON: Yes, Your Honor.

5 THE COURT: -- for the bond. And is there
6 enough equity in the house to cover the bond?

7 MR. FELTON: There is not, so there will also
8 be cosigners.

9 THE COURT: Okay.

10 MR. FELTON: And we have two cosigners, one of
11 whom is the defendant's wife and the other be either the
12 defendant's father or father-in-law.

13 THE COURT: You haven't finished interviewing
14 them yet?

15 MR. FELTON: We have not, Your Honor.

16 THE COURT: All right.

17 MR. FELTON: Pretrial supervision as directed.

18 THE COURT: Will that be Pretrial here or
19 Pretrial in Pennsylvania? If the defendant's planning
20 on living in the home in Wood Street.

21 MR. FELTON: Pennsylvania, Your Honor.

22 THE COURT: Okay.

23 MR. FELTON: The travel restrictions would be
24 Western District of Pennsylvania and S.D.N.Y. and
25 E.D.N.Y.

1 PROCEEDINGS 12

2 THE COURT: And points in between for travel
3 purposes only?

4 MR. FELTON: Yes, Your Honor.

5 THE COURT: All right.

6 MR. FELTON: Surrender travel docs, no new
7 applications.

8 THE COURT: It's my understanding that the
9 passports which were surrendered when he was initially
10 arrested, is that right, counsel?

11 MR. MIRVIS: That's correct, Your Honor.

12 THE COURT: Go ahead.

13 MR. FELTON: Home incarceration.

14 THE COURT: Home incarceration? All right.

15 MR. FELTON: Enforced by GPS.

16 THE COURT: Do you want to say GPS or do you
17 want to say location monitoring as directed by Pretrial
18 in the Western District. They often have views on
19 what's the appropriate for of electronic --

20 MR. FELTON: Your Honor, he already has a GPS
21 on him, and I think in this case a GPS would be
22 appropriate.

23 THE COURT: Let me check with our Pretrial
24 Services officer today. The fact that somebody has an
25 ankle bracelet on does that mean one specific thing?

1 PROCEEDINGS 13

2 PRETRIAL SERVICES OFFICER: No. So for home
3 incarceration he wouldn't be allowed to go anyway. So
4 the GPS would kind of be irrelevant in that case.

5 THE COURT: You would instead have some sort of
6 location monitoring where, if he stepped out the door,
7 an alarm would blare - I'm speaking metaphorically -
8 you'd get some notice?

9 PRETRIAL SERVICES OFFICER: Radiofrequency, or
10 RF.

11 THE COURT: It would be RF. Does that change
12 your view, counsel? I don't want to keep the man in an
13 ankle bracelet in the shower and everything if he
14 doesn't need one.

15 MR. FELTON: If he's on home incarceration,
16 Your Honor, we're okay with RF, with the radiofrequency.

17 THE COURT: So how about location monitoring
18 technology as directed by Pretrial Services? They're
19 the experts in this area.

20 MR. FELTON: That's fine with the Government.
21 Again, provided it's home incarceration.

22 THE COURT: All right, I'm with you so far.
23 What else?

24 MR. FELTON: With respect to employment
25 restrictions, he will no longer operate Samurai.

1 PROCEEDINGS 14

2 THE COURT: No longer operate, be employed by,
3 or work for --

4 MR. FELTON: Yes, Your Honor.

5 THE COURT: -- Samourai? It's S, it's spelled
6 in a weird way, right, S-A --

7 MR. FELTON: There's an O-U --

8 THE COURT: Samourai, okay.

9 MR. FELTON: And he will not engage in
10 cryptocurrency transactions without prior approval from
11 Pretrial Services and the Government.

12 THE COURT: No cryptocurrency transactions.
13 You probably want to say directly or indirectly.

14 MR. FELTON: Yes, Your Honor.

15 THE COURT: Without prior approval of PTS or
16 your office.

17 MR. FELTON: Both, Your Honor.

18 THE COURT: Prior approval of Government and
19 PTS. What else?

20 MR. FELTON: I'll read aloud the recommended
21 conditions 4 and 5 from the Pretrial Services report.
22 Number 4 is no contact with codefendants unless in the
23 presence of counsel.

24 THE COURT: There's only one codefendant, is
25 that right, at present?

1 PROCEEDINGS 15

2 MR. FELTON: Yes, Your Honor.

3 THE COURT: No contact with codefendant except
4 in the presence of counsel.

5 MR. FELTON: And recommended condition number
6 5, refrain from opening new lines of credit and bank
7 accounts without prior approval from Pretrial Services.

8 THE COURT: All right, no new lines of credit
9 or bank accounts, that includes credit and debit cards,
10 without prior approval of PTS. All right.

11 MR. FELTON: And he can be released on the
12 signature, shall meet all conditions with one exception
13 within 72 hours.

14 THE COURT: And the exception is?

15 MR. FELTON: The securing the property in
16 Pennsylvania. He has until May 14, the date of the
17 appearance before Judge Berman.

18 THE COURT: Well, they may not, I don't know if
19 they can set up the - well, 72 hours, three days. They
20 should be able to set up the electronic monitoring in
21 three days, correct?

22 PRETRIAL SERVICES OFFICER: (inaudible)

23 THE COURT: I know, but you missed the
24 discussion that we had earlier that they might want to
25 put him on RF because it's going to be home

1 PROCEEDINGS 16

2 incarceration.

3 PRETRIAL SERVICES OFFICER: We'll do that
4 before he leaves.

5 THE COURT: Okay. So 72 hours won't be a
6 problem. And May 14 for the cosigners and the lien on
7 the property.

8 MR. FELTON: So the cosigners we would request
9 within the 72 hours and May 14 would be just the
10 property, confession of judgment.

11 THE COURT: Okay, I got it. Anything else?
12 There's a firearm condition in place at present. Do you
13 want to continue that?

14 MR. FELTON: Certainly, Your Honor.

15 THE COURT: Guns have to stay out of the house.
16 Anything further from the Government?

17 MR. FELTON: No, Your Honor.

18 THE COURT: Anything the defense wishes to
19 clarify or add to with respect to conditions of release?

20 MR. MIRVIS: No, Your Honor, I would just note
21 that Mr. Rodriguez's wife is here today as well and is
22 prepared to sign the bond.

23 THE COURT: Excellent. All right, that will
24 help move things along. Let me ask the Government this
25 question first. What if anything are you doing to

1 PROCEEDINGS 17

2 secure the cryptocurrency wallet?

3 MR. FELTON: I'm sorry, Your Honor, with
4 respect to the cryptocurrency wallet?

5 THE COURT: My understanding is that this
6 defendant possesses cryptocurrency in an unknown amount.
7 Normally, in a case such as this, the Government takes
8 steps to make sure it doesn't go anywhere.

9 MR. FELTON: So at this point, we understand
10 it's with defense counsel in California and that --

11 THE COURT: Which is not the lawyers who are
12 here today, correct?

13 MR. MIRVIS: That's correct, Your Honor.

14 THE COURT: Okay.

15 MR. FELTON: And --

16 THE COURT: And the Government --

17 (interposing)

18 MR. FELTON: -- we do have the condition of --

19 THE COURT: -- is content with that?

20 MR. FELTON: -- as the Court, as we mentioned
21 to the Court, that the defendant shall not engage in
22 cryptocurrency transactions without prior approval from
23 Pretrial and the Government. At this time, those are
24 the steps we've taken with respect to --

25 THE COURT: Which means that one of the bail

1 PROCEEDINGS 18

2 conditions essentially is that the crypto remains with
3 counsel and doesn't get moved elsewhere. Is that how
4 you're putting two and two together?

5 MR. FELTON: Yes, Your Honor, thank you.

6 THE COURT: And, counsel, is that your
7 understanding as well?

8 MR. MIRVIS: Yes, Your Honor.

9 THE COURT: Okay, so anything further with
10 respect to bail conditions from either the Government or
11 defendant's counsel?

12 MR. FELTON: No, Your Honor, thank you.

13 MR. MIRVIS: No, Judge.

14 THE COURT: All right. Let me just run through
15 those conditions for you all in one piece, Mr.
16 Rodriguez. I am going to release you on the conditions
17 that we've been discussing, after my review of the file
18 and, of course, the presentation made by counsel. You
19 will sign a bond in the amount of \$1 million. The bond
20 must be cosigned by two financially responsible persons.
21 The candidates at present, as I understand it, are your
22 wife, your father, and your father-in-law. Do I
23 remember that correctly?

24 MR. FELTON: Yes, Your Honor.

25 THE COURT: But they must be acceptable to the

1 PROCEEDINGS 19

2 U.S. Attorney's Office for the Southern District of New
3 York. Additionally, in your case the bond must be
4 secured by real estate, specifically by the property
5 owned by your wife at 610 Wood Street, Harmony,
6 Pennsylvania 16037. Your travel will be restricted to
7 the Southern and Eastern Districts of New York. We
8 throw in the Eastern District because that's where the
9 airports are. And the Western District of Pennsylvania,
10 points in between only for purposes of travel.

11 To the extent you still possess any passports
12 or other travel documents, you must surrender them. And
13 you may make no new application for a passport or other
14 international travel document while you are subject to
15 these terms of release.

16 You will be supervised by Pretrial Services as
17 they deem appropriate. You will reside at 610 Wood
18 Street where you'll be subject to home incarceration
19 which is a fairly strict form of pretrial restriction.
20 There's not very much other than coming to court that
21 you will be permitted to leave the home to do. And your
22 service of home incarceration will be enforced by
23 location monitoring technology as directed by Pretrial
24 Services.

25 You are not to possess any firearms,

1 PROCEEDINGS 20

2 destructive devices, or other weapons, which means no
3 such weapons are permitted in the home. Even if they
4 are legally owned, they have to be out of the house for
5 purposes of your pretrial detention.

6 You are not permitted to operate or perform
7 services on behalf of Samurai. You are not permitted
8 to engage in any cryptocurrency transactions directly or
9 indirectly without the prior, that is to say advance,
10 approval of both Pretrial Services and the United States
11 Attorney's Office. You are to have no contact with your
12 codefendant except in the presence of counsel. And you
13 are not to open any new lines of credit including, for
14 example, loans, bank accounts, and credit and debit
15 cards without the prior approval of Pretrial Services.

16 You will be released on your own signature
17 which means you will be released today. You have until
18 May 14 to comply with the conditions of your release
19 relating to the property at 610 Wood Street. You have
20 72 hours from today, which is to say until 2:30 in the
21 afternoon on Thursday, to comply with the remaining
22 conditions of your pretrial release such as, for
23 example, getting the bond cosigned by the two
24 financially responsible persons. Do you understand what
25 I have told you?

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PROCEEDINGS

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MR. RODRIGUEZ: Yes, Your Honor.

THE COURT: All right. Let me warn you that if you fail to appear in court when due or if you violate any of the conditions of your release, even if you think that they're pesky and petty and you don't think they're important, the Government has a history of thinking that all of the conditions of release are important. So if you violate any of the conditions of your release, a warrant will be issued for your arrest. You and the cosigners of the bond can each be made responsible for paying its full amount. Everybody is putting a million dollars at risk when they sign that bond. And you can be charged with a separate crime known as bail-jumping.

In addition, if you were to commit a criminal offense while you are subject to these release conditions in this case, then in addition to whatever sentence you would ordinarily get for that new offense, you will be sentenced to an additional term of imprisonment which could be up to ten years if the new offense is a felony. It could be up to one year if the new offense is a misdemeanor. And this term of imprisonment will be executed after and on top of any other sentence of imprisonment is completed. Do you understand what I have told you?

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PROCEEDINGS

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MR. RODRIGUEZ: Yes, Your Honor.

THE COURT: Is there anything further from the Government?

MR. FELTON: No, Your Honor, thank you.

THE COURT: Anything further from the defense?

MR. MIRVIS: No, Judge, thank you.

THE COURT: Thank you all very much. We'll be adjourned.

(Whereupon, the matter is adjourned.)

C E R T I F I C A T E

I, Carole Ludwig, certify that the foregoing transcript of proceedings in the case of U.S. v. RODRIGUEZ, Docket #24cr0082, was prepared using digital transcription software and is a true and accurate record of the proceedings.

Signature Carole Ludwig

Carole Ludwig

Date: May 29, 2024